

ACF Administration for Children and Families	U.S. Department of Health and Human Services	
	1. Log No: CCDF-ACF-PI-2022-02	2. Issuance Date: April 5, 2022
	3. Originating Office: Office of Child Care	
	4. Key Words: Child Care and Development Fund (CCDF); ACF-696T; Financial Reporting Form for Indian Tribes	

PROGRAM INSTRUCTION

- TO:** Tribal lead agencies administering child care programs under the Child Care and Development Block Grant (CCDBG) Act of 1990, as amended and other interested parties.
- SUBJECT:** Form ACF-696T—a Financial Reporting Form for Tribal Child Care and Development Fund (CCDF) Lead Agencies.
- REFERENCES:** The Child Care and Development Block Grant (CCDBG) Act, as amended (42 U.S.C. § 9857 et seq.); Section 418 of the Social Security Act (42 U.S.C. § 618); 45 CFR Parts 98 and 99; Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (Pub. L. 116-260); American Rescue Plan (ARP) Act (Pub. L. 117-2).
- PURPOSE:** This Program Instruction distributes the revised Form ACF-696T Financial Reporting Form for the Tribal CCDF lead agencies. The Office of Management and Budget (OMB) approved the Form ACF-696T under OMB 0970-0510.
- BACKGROUND:** Attached is a copy of the Tribal Child Care and Development Fund Financial Report (ACF-696T). In addition to the Program Reporting Requirements set forth in 45 CFR Part 98, Subpart H, the regulations at 45 CFR 98.65(i) require Tribal Lead Agencies to submit financial reports annually as specified by the Administration for Children and Families (ACF). Tribes are required to use the ACF-696T to report expenditures for the Tribal Mandatory, Discretionary, and construction and renovation funds issued under CCDF.
- Spending Requirements:** Tribes must meet quality spending requirements that vary depending on the year that funds were awarded:

- For funds awarded since GY 2020, all Tribal CCDF lead agencies, regardless of allocation amount, must spend at least 8% of expenditures on quality improvement activities.
- For funds awarded in GY 2019, all Tribal CCDF lead agencies, regardless of allocation amount, must spend at least 7% of expenditures on quality improvement activities.

Tribal CCDF lead agencies with medium or large allocations (\$250,000 or more based on GY 2016 allocations) must spend at least 3% of expenditures on quality improvement activities for infants and toddlers, as reported in Line 8 on the ACF-696T (in addition to the quality spending requirement mentioned above).

Tribes may not spend more than 15% of their expenditures on administrative activities.

The ACF-696T is used to determine compliance with these spending requirements set forth in 45 CFR Part 98, Subpart H.

Tribal CCDF lead agencies must submit separate annual reports for each fiscal year in which CCDF funds were awarded. Therefore, a Tribal CCDF lead agency may be submitting as many as three separate ACF-696T reports this year—one for funds awarded in GY 2019; one for funds awarded in GY 2020; and one for funds awarded in GY 2021.

Obligation and Liquidation: Tribal Discretionary funds awarded in GY 2021 must be obligated by September 30, 2022 and liquidated by September 30, 2023. If a Tribal lead agency is unable to obligate the full GY 2021 Discretionary award within the required time period, the Tribal lead agency must report in a letter to ACF no later than April 1, 2022 the dollar amount from the GY 2021 grant that it will be unable to obligate by September 30, 2022. These unobligated funds may be reallocated to other Tribal lead agencies.

Supplemental CCDF Program Funds: The Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act appropriated \$10 billion in CCDF supplemental Discretionary funds to provide states, territories, and tribes participating in CCDF the opportunity and resources necessary to respond to the unprecedented challenges faced by children, families, and child care providers during the novel coronavirus 2019 (COVID-19) public health emergency. These funds are available to Tribes until September 30, 2023.

The ARP Act appropriated funding for child care through three funding streams. These include \$14,990,000,000 for CCDF supplemental Discretionary funds, available until September 30, 2024:

\$23,975,000,000 for child care stabilization grants, available until September 30, 2023; and \$3,550,000,000 in Mandatory and Matching funding for CCDF, a permanent annual appropriation.

REVISIONS:

Expenditures for Supplemental CCDF Program Funds: ACF revised the ACF-696T form and completion instructions to include reporting on supplemental CCDF program funds made available by the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act and the American Rescue Plan (ARP) Act. The supplemental Discretionary funds have been added to the report form with the same expenditure categories as other CCDF program funds (e.g., direct services, quality activities and infant/toddler quality activities, program administration, non-direct services, and construction and major renovation).

Expenditures for ARP Act Stabilization Funds: The ARP Act stabilization funds have two additional reporting categories, 1) subgrants to providers and 2) set aside amounts. Tribes may use up to 20 percent of the ARP Act stabilization funds for subgrants administration, systems, technical assistance (TA) on applications and implementation, publicity, and activities to build supply. States and territories will need to report ARP Act stabilization funds used for these activities.

Reporting the ARP Act Stabilization Funds Obligation Target: The ARP Act requires CCDF lead agencies to notify the Secretary of Health and Human Services if they are unable to obligate at least 50 percent of the funds that are available for subgrants within 9 months of enactment of the law, which is December 11, 2021. In addition, the revised ACF-696T for the reporting period ending September 30, 2021, will be revised to ask, “Was the Tribe unable to obligate at least 50 percent of the CCDF stabilization grants by December 11, 2021?” Tribes should respond to this question on the ACF-696T according to the obligation status of their ARP Act stabilization funds on December 11, 2021, even if the Tribal lead agency has subsequently obligated 50 percent of the ARP Act stabilization funds available for subgrants since December 11, 2021. The dollar amount of obligated ARP Act stabilization funds reported should reflect the obligation status as of September 30, 2021.

Calculating the ARP Act Stabilization Funds Obligation Target: The ARP Act allows Tribal lead agencies to set aside up to 20 percent of the ARP Act stabilization funds for administrative expenses, supply building, and technical assistance. Funds that Tribal lead agencies set aside for these activities should not be included in calculations for the obligation target. For example, if a Tribal lead agency was awarded \$10 million in ARP Act stabilization funds, they could set aside up to \$1 million for administrative expenses, supply building, and technical assistance. In this case, the obligation target would be 50 percent of the

amount available for subgrants (i.e., 50 percent of \$9 million). OCC recognizes that Tribal lead agencies may not yet have determined the amount to set aside for these activities and recommends that Tribal lead agencies use their best estimate in calculating the funds that are available for subgrants.

**ACTION
REQUIRED:**

Tribal lead agencies must submit their ACF-696T electronically through Online Data Collection (OLDC; see Action Transmittal No. OGM-AT-13-01). OLDC reduces paperwork, allows for quicker processing, automatically completes required calculations, and checks for potential errors.

Tribal CCDF lead agencies with OLDC assignments may access the system at: <https://home.grantsolutions.gov/home/>.

For Tribal CCDF lead agencies that currently lack access to OLDC, please request access using the OLDC Request Form, which is available (along with OLDC help sheets, user guides, and tutorials) at:

<https://home.grantsolutions.gov/home/getting-started-request-a-user-account/>. A completed OLDC Request Form should be emailed to your ACF Office of Grants Management contact (see attached) for each staff person who will play a role in using OLDC. ACF will create a User Identification (ID) based on the information provided on the OLDC Request Form. An email message is automatically sent to the staff member identified on the Request Form when an OLDC User ID and password is created for that person.

Tribal CCDF lead agency annual ACF-696T reports for FY 2021 in OLDC was delayed due to the incorporation of both CRRSA Act and ARP Act funds to the ACF-696T report form. Due to the delay in the availability of these updated report forms, Tribal CCDF lead agency annual ACF-696T reports for all open grant years for the period ending September 30, 2021 will now be due 30-days from the date of this announcement, **May 13, 2022**.

**SUBMISSION OF
REAL PROPERTY
FORM:**

Tribal CCDF lead agencies with real property in which the federal government retains an interest (i.e., real property that was constructed or renovated in whole or in part with CCDF dollars) must prepare and submit the SF-429 with Attachment A on an annual basis at the same time as their annual ACF-696T Financial Report is due (i.e., by December 29, 2021). For more information, see Program Instruction CCDF-ACF-PI-2020-02 on the OCC website.

**NON-REPORTING
PENALTIES:**

Failure to submit the ACF-696T report on or before the due date may be a basis for withholding financial payments, suspension, or termination.

INQUIRIES: Inquiries should be made to the appropriate ACF Office of Grants Management staff.

ATTACHMENTS:

- A. A copy of Form ACF-696T
- B. Instructions for completing Form ACF-696T
- C. Contact information for ACF Office of Grants Management Staff
- D. Request for Online Data Collection (OLDC) Access

/s/

Ruth Friedman, Ph.D.
Director
Office of Child Care